



(H.P. Govt. Energy Development Agency)

HIMURJA, Urja Bhawan SDA Complex Kasumpti Shimla-171009

PHONE-177-2620365, 2621783, 2625306, 2621623. FAX 177-2622635

No. HIMURJA/ SHP/Lower Iku (159)/2015-8323 Dated : 10/8/2015

To

M/s Vishavkarma Hydel Power (Partnership-
4) VPO Gaggal Tehsil & Distt Kangra-176209

Sub.:-

Consent for exclusive time bound right for preparation of Project Report for the
Small Hydel Project Lower Iku (1.00 MW) in Kangra District , Himachal
Pradesh.

Dear Sir,

I am directed to inform that after considering your application for the Self Identified project, the State Government has consented to give you the exclusive right for preparation of DPR for subsequent implementation of SHP in H.P. The details of the project for which consent has been granted is as below:-

Sr. No.	Name of the Project	River/ Stream	Distt.	Elevation Range (Diversion site to Tail race)	Estimated Capacity (MW)
1	Lower Iku	iku	Kangra	± 1225 to 1110 m	1.00

1. FR FINALISATION

The IPP shall submit a comprehensive Feasibility Report (FR) to Himurja prepared by a reputed consultant within six months of issuance of this letter along with the credential of the consultant. Feasibility Report (FR) shall be based on actual Survey & Investigation containing site detail, hydrological data, location of project components, power studies for capacity determination, land requirements, layout plan, single line diagram, E & M equipment specifications and cost analysis etc. Extension of three (3) months subject to deposition of extension fee @ Rs 10,000/- per MW per month is allowable. If the IPP fails to submit Feasibility Report within extended period project is liable to be cancelled.

- IPP shall have to deposit security, processing fee, upfront premium based on the allotted capacity within two months from the date of issuance of this consent.

2.1. SECURITY (REFUNDABLE)

The Security charges (refundable) in the shape of Demand draft is to be furnished in favour of "DIRECTOR HIMURJA" payable at Shimla @ Rs. 50,000/- per MW. If the requisite documents such as PFR, Upfront premium and post allotment processing fee etc. as prescribed in the consent letter are not deposited in time, the project shall be cancelled and this amount will be forfeited. This amount will also be used as performance guarantee for different milestones and adjusted against extension charges that may have become due and were not paid in case of cancellation of project at any stage. (EMD deposited at the time of apply will be adjusted against Security)

The above security shall be refundable to IPP after signing of IA.

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2.2 PROCESSING FEE (NON-REFUNDABLE)

Furnishing of the Processing Fee (non-refundable) in shape of Demand Draft in favour of "Director, HIMURJA" payable at Shimla. The processing fee for Himachali, Cooperative society/Company comprising of the bonafide Himachalis shall be Rs. 25,000/- upto 2 MW and beyond 2.00 MW upto 5 MW @ Rs.25,000/- + Rs.10,000/- per MW (for the capacity exceeding 2 MW). For others i.e. Non- Himachalis the processing fee shall be Rs. 2.00 lac per Project.

If an IPP enhances the capacity of already allotted Project after Technical Concurrence/ signing of IA, then the IPP shall be required to furnish the processing fee afresh at the rate specified above.

2.3 (a) UP-FRONT PREMIUM (NON REFUNDABLE)

Upfront premium (Non-refundable) shall have to be furnished in shape of Demand Draft in favour of Director Himurja, payable at Shimla.

Up-front premium shall be charged in two stages-

- i) @ Rs.45000/- per MW at the time of allotment of the project i.e within two months from the date of this consent letter and
- ii) Balance upfront premium @ Rs. 45000/- per MW at the time of signing of the IA.

Whereas for projects upto 2 MW upfront premium is exempted

2.3 (b) If after enhancement of capacity the capacity of the project remains upto 5 MW the IPP shall have to pay upfront premium @ Rs 90,000/- per MW on whole capacity.

3. The IPP shall carry out the requisite detailed investigations and techno-economic studies of the Project and shall submit a Detailed Project Report to HIMURJA within a period of 24 months from the date of issue of this consent letter in consideration to Hydro Power Policy 2006 and its subsequent amendments from time to time.
4. The IPP shall submit monthly discharge data and quarterly overall progress reports to Himurja on the Proforma attached at Annexure- 'A' & 'B'.
5. Following milestones shall be binding on the IPP:-

Sr. No.	Milestones	Time Period
1	Feasibility Report Submission	Within six months from the date of Consent Letter before preparation of DPR. Feasibility Report (FR) shall be based on actual Survey & Investigation containing site detail, hydrological data, location of project components, power studies for capacity determination, Land requirements, Layout plan, single line diagram, E & M equipment specifications. Extension of three months with extension fee @ Rs. 10,000/- per MW per month. Consequences- Cancellation of project.
2	Feasibility Report Approval	Himurja will approve the Feasibility Report within two months from its submission or within 11 months (including extension obtained for submission of feasibility report if any) from the issue of consent letter.

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3	Acquisition of Revenue record.	IPP has to obtain all the necessary revenue record required for implementation of project within Nine (9) months from the date of issuance of Consent Letter or within 12 months (including extension obtained for submission of feasibility report, if any) from the date of issuance of Consent Letter.
4	Submission of applications for all clearances/approval/consent to different departments	IPP has to submit applications for all the clearances/approval/consent applied within Eleven (11) months from the date of issuance of Consent Letter or within 14 months (including extension obtained for submission of feasibility report if any) from the date of issuance of Consent Letter.
5	Obtaining of all clearances/approval/consent	IPP has to obtain all the clearances/approval/consent within Twenty Four (24) months (including extension obtained for submission of feasibility report if any) from the date of Consent Letter.
6	Submission of Detailed Project Report (DPR) as per CEA/ CWC Guidelines & within allotted/approved parameters with all clearances	Within 24 months from the date of issuance of Consent Letter or within 27 months including three (3) months extension for submission of FR, if three (3) months extension not availed at the time of FR, extension of three (3) months can be availed for submission of DPR for valid reasons by levying extension fee @ Rs 1000/- per MW for first month doubling in successive months, i.e. 1 st month Rs 1,000/-, 2 nd month Rs. 2000/-, 3 rd month 4000/-,
7	Grant of Technical Concurrence, preparation & submission of documents for signing of Implementation Agreement.	Technical Concurrence shall be accorded by Directorate of Energy (DoE), on behalf of the Government within 45 days from the date of receipt of the Detailed Project Report or within 28 months and 15 days (including extension obtained for submission of feasibility report, if any) from the date of issuance of Consent Letter and also complete all formalities for signing of IA.
8	Confirmation of Interconnection Point	Two months after the approval of FR, the IPP shall apply to the appropriate authority (Distribution/Transmission Licensee) for finalization/confirmation of interconnection point.
9	Signing of IA	Within 15 days of accordance of TC or within 29 months from the issuance of Consent Letter (including extension obtained for submission of FR/DPR, if any) whichever is earlier.
10	Achieving Financial closure including PPA if required and work started Concurrent action: Any balance clearances, consent/approval to be obtained.	IPP has to achieve the financial closure including PPA if required and obtain balance clearance/consent/approval, if any and start work on site within six (6) months after signing of IA or within 35 months (including, extension obtained for submission of feasibility report and DPR, if any) from the date of issuance of Consent Letter.

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11	Project Commissioning	Project must be commissioned within 24 months from the date of start of work. However, six (6) months extension in this period is allowable for valid reasons subject to deposition of extension fee or within 65 months (including extension obtained for submission of feasibility report/DPR submission/extension in construction period, if any) from the issue the date of issuance of Consent Letter. Extension charges applicable @ Rs 1000/- per MW for first month doubling in successive months, subject to maximum of Rs 10,000/- i.e. 1st month Rs 1,000/-, 2 nd month Rs. 2000, 3 rd month 4000/-, 5 th month Rs. 10,000/- This part of charges will be payable upfront or with interest at project borrowing rates, after commissioning..
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6. The IPP shall stick to the time schedule for the investigation of the project and submission of the FR and DPR. In the event of the IPP being unable to submit the FR and DPR within the stipulated period as mentioned in clause 1,3 &5 in this letter, the IPP can seek extension for the delay for valid reasons within one month alongwith extension fee and maximum extension shall be as mentioned in clause No -5 of this letter. Extension fee for extension in time period for submission of DPR shall be @ -Rs 1000/- per MW for first month doubling in successive months, subject to maximum of Rs 10,000/- i.e. 1st month Rs 1000/-, 2nd month Rs. 2000, 3rd month 4000/-, 5th month Rs. 10,000/- and for FR extension fees shall be @ Rs. 10,000/- per MW per month. Non submission of DPR within the extended period shall result into cancellation of the project.
7. Detailed Project Report submission date shall be reckoned only after it has been found that the report is in conformity with CEA/ CWC guidelines & within allotted/approved elevation& stream. The reports and studies shall be prepared by reputed consultants who have experience of handling the complete task of geological & hydrological investigation, construction, erection, commissioning and operation of hydroelectric projects. Complete details of the consultants and their experience shall be included in the DPR or annexed therein.
8. HIMURJA, on receipt of Detailed Project Report (DPR), will scrutinize the DPR from the angle of allotted parameters and related aspects of the project as well as optimum utilization of the potential. After its scrutiny the HIMURJA will forward the DPR to Director of Energy, for accordance of Technical Concurrence. During examination of DPR HIMURJA/ Director of Energy., may point out the defects and deficiencies affecting the Technical Concurrence. IPP is expected to make good the defects promptly and remove the defects or deficiencies, as pointed out by the HIMURJA/ Director of Energy, within 30 days from the dispatch of the communication. The IPP will obtain Techno Concurrence (TC) from Director of Energy., within 45 days from the date of submission of DPR.
9. If the performance of this consent or any obligation of IPP is prevented, restricted or interfered with for any reasons of: fire, explosion, epidemic, cyclone, earthquake, flood, unforeseen natural calamity, war, revolution, requirement of any Government or any sub-division authority or representative of any such Government in respect of the aforesaid conditions, or any other act whatsoever, whether similar or dissimilar to those enumerated, beyond the reasonable control of the party hereto; the party so affected upon giving prompt notice to other party shall be excused from such performance to the extent of such prevention, restriction of interference for the period it persists provided that the party so affected shall make its best efforts to avoid or remove causes of non- performance, if possible, and shall continue performance hereunder with the utmost dispatch whenever such causes are removed. If the force majeure such as war, civil war, insurrection, riots, revolutions, fires, floods, epidemics, quarantine, restrictions, freight embargoes, radioactivity, earthquakes, cloudbursts, landslides

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and excessive snow persists for continuous period of the consent letter or more, the parties shall meet and decide about the further course of action.

10. In case the IPP does not find the Project to be feasible from techno-economic considerations or from any other aspect, the IPP shall hand over to the HIMURJA all the Project Reports and any other connected documents etc. as may have been collected and/or prepared by the IPP during the course of investigations.
11. The Government after having concluded that the Project is techno-economically viable may enter into an Implementation Agreement with the IPP within 15 days of accordance of TC or within 29 months after issue of consent letter (including extension if any) whichever is earlier. IPP will give request for signing IA and deposit requisite charges for signing of IA for the execution of project on terms and conditions in accordance with H.P. Hydro Power Policy 2006 read with various amendments in it notified from time to time.
12. The IPP shall set up its office within State of Himachal Pradesh after signing of Implementation Agreement and furnish the proof thereof.
13. (i) This consent shall be restricted within the approved parameters of this consent letter i.e. to utilize water of **Iku Nala/stream** in elevation range between **EL \pm 1225 to 1110 m** (i.e. Diversion weir to Tail race) on **Left/Right** Bank of ~~on~~ which this project is envisaged unless otherwise approved by the H.P. Government. The H.P. Govt. shall be at liberty to cancel the consent, if any violation on this account is discovered at a later stage.

(ii) As per laid down guidelines riparian distance of 50mtrs elevation wise **or 250m** horizontal distance is to be maintained between two projects to allow visible flow of water in the stream/Nalla while carrying out detailed survey, failing which the allotment is liable to be cancelled for violation of the same.

(iii) In case of any conflict about a site, due to other allotment on the same stream/nallah etc. the State Government/Himurja shall have the right to take the decision about the Consent letter and this decision shall be final and binding on the concerned parties.

(iv) If it is discovered at later stage that project components are coming up in Wild Life Sanctuary/National Park the project shall stand canceled without paying any compensation or an alternative site.
14. NOCs of IPH, HPPWD, Revenue, Fisheries and Wild Life are not required with DPR. However, clearances and compliance of norms & conditions of the departments shall be ensured by the developers before and during execution.

(i) The norms and terms and conditions of IPH, PWD and Revenue Department shall be Annexed with the Implementation Agreement and developer shall abide by them.

(ii) No project should be allotted in Wild Life Sanctuaries/Parks/areas. If later on the project comes within the boundaries of Wild Life Sanctuaries/Parks/areas by way of redefining boundaries of Wild Life Sanctuaries/Parks/areas, IPP shall have to surrender the project immediately without any claim.

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- (iii) No NOC of Fisheries Department is required. Only where projects are allotted in the streams where Fisheries department has its conservations and development projects, the developers will comply with all the instructions/directions of Fisheries Department and take into account impact in Feasibility Study, DPR and during project execution.

Charges payable-

- a) No charges for projects upto 2 MW.
- b) For other only per MW charges at the rate of Rs 50,000/- per MW.
- c) No additional charges for length of stream so as to avoid inspections.
- d) Where any development conservation projects of Fisheries Department are impacted separate charges as per Fisheries Department proposal.
- (iv) NOC of Gram Panchayat – Effective consultation shall be done with Gram Panchayats and their objections and suggestions shall be heard and decided by SDM by way of a reasoned speaking order. Aggrieved parties have right to appeal before D.C. and thereafter Principal Secretary (Power).

Single joint committee will clear all aspects of projects for statutory clearances.

15. NOCs from different Departments shall be furnished in shape of self attested copies, to the HIMURJA. The IPP is required to furnish an affidavit, on Rs. 5/- stamp paper duly notarized, to the effect that all the conditions in the NOCs obtained from the different Departments and Gram Panchayat shall be abided by them, incase an IA is signed with the IPP later on.
16. The receipt of this communication and acceptance of consent conditions aforesaid will be acknowledged within one month and the affidavits, security charges, processing fee and upfront premium within two months from the date of issue of this letter. In case, IPP's confirmation is not received or security, processing fee and other relevant essential documents, not deposited by the due date it shall be presumed that IPP is not interested in taking up the project and consent shall be treated as withdrawn.

17. **ROYALTY**

In the event of this project being awarded to you for implementation, a separate agreement called Implementation Agreement shall be executed for supplying the royalty on water usages in shape of free power royalty (Energy) as per the following rates or the rates applicable as per policy of the State Govt. at the time of signing of Implementation Agreement.

- a) Small Hydro Electric Projects upto 2 MW allotted after 2006 Hydro Policy, where power is consumed in HP by HPSEBL free power payable to State and Local Area Development Fund shall be 2%, 12% and 18% (2% for first 12 years, 12% for next 18 years & 18% for remaining period of to 10 years).
- b) **For Other Projects-** The Free power royalty liable to be charged for projects with an installed capacity upto 5 MW will be at the rate of 12%, 15% & 24% (12% for first 12 years, 15% for next 18 years & 24% for remaining period of 10 years) for captive use or third party sale outside the state or the rates applicable as per policy of the State Government at the time of signing of IA. For captive consumption within the state or sale to HPSEB Ltd. or its successors the concessional royalty rates shall be 6%, 15% and 24% (6% for first 12 years, 15% for next 18 years & 24% for remaining period of 10 years). In case of capacity enhancement beyond 5 MW rates notified by government shall be applicable.

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The IPP shall provide an additional 1% (one percent) free power over and above the rates existing at 20 (a&b) for Local Area Development Fund (LADF) aimed at providing regular stream of revenue for income generation and welfare schemes, creation of additional infrastructure and common facilities etc. on a sustained and continued basis over the life of the project. This fund would be available in the form of an annuity over the entire life of the project.

18. The balance energy, after adjustment of free energy, may be used/sold by the Second Party in the following manner :-

- (a) Free energy shall be made available by the Second Party at the interconnection point to the HPSEBL, wherein HPSEBL will buy power from SHPs upto 2.00 MW, if the developer so choose, provided that free power to the State is also as per 2006 Policy and the metering shall be done at this point. For SHPs above 2.00 MW upto 5.00 MW, HPSEBL will formulate an objective, prudent and transparent power purchase policy, keeping in view load centre, evacuation cost, line losses, hydrology etc.

Solid tap connectivity at the nearest or 11 kV or 22 kV line upto 2 MW capacity generation capacity will be allowed, with appropriate protection.

To ease Liquidity, Commission will determine two sets of levelised tariff i.e. one for first 5 to 10 years, which may be higher and 2nd set for balance period

No wheeling/transmission charges shall be payable for free energy from the generating station to the interconnection point.

- (b) Make captive use or negotiate Third Party sale within the State or evacuate power for captive use or sale outside the State. The wheeling or transmission charges in this regard will be set by the HPERC based on petitions by the parties.

19. TRANSFER OF PROJECT TO SUBSIDIARY GENERATING COMPANY/ DILUTION OF SHARES.

- 19.1 **For Non-Himachalis:-** The Government may consider the request of the allottee company for change in name/dilution of shares of original allottee company subject to the condition that the Original allottee shall retain the controlling interest i.e. 51% equity in the new entity upto Six months after actual commissioning of the project and thereafter allowed to freely sell/divest the project. However, equity shares to the extent of 100% can be transferred to Himachali at any stage after allotment. In the event of any contravention, the Government of H.P. shall terminate the Consent Letter forthwith at any stage.

- 19.2 (a) **For Himachalis:** In case of bonafide Himachalis /Co-operative Societies/Companies/Voluntary Societies/Trust/Partnership concerns/Sole Proprietorship concerns comprising wholly of bonafide Himachalis to whom project upto 2 MW and above 2MW to 5MW capacity is allotted, the Government may consider the request of the promoters to transfer ownership wholly or partially to any other bonafide Himachalis / Co-operative Societies/Companies/Voluntary Societies/Trust/Partnership concerns/Sole Proprietorship concerns comprising wholly of bonafide Himachalis, at any stage after allotment.

- 19.2 (b) In case of bonafide Himachalis to whom Projects upto 2.00 MW capacity is allotted, Change in name/dilution of shares by Himachali allottee to non-Himachalis shall be allowed to the extent of 26% at any stage and full disinvestment after six months of actual commissioning of project.



- 19.2 (c) In case of bonafide Himachalis to whom Projects above 2.00 MW and upto 5.00 MW capacity is allotted, Change in name/dilution of shares by Himachali allottee to non-Himachalis shall be allowed to the extent of 49% at any stage subject to the condition that original allottee shall retain the controlling interest i.e. 51% equity in the new entity upto six months of actual commissioning of project.
20. For projects upto 5 MW, HPSEB Ltd., or its successor entity shall buy the power at the tariff notified from time to time by Himachal Pradesh Electricity Regulatory Commission.
21. Alongwith the acceptance of the consent letter, the following shall also be furnished by the IPP: "An affidavit on a stamp paper of Rs.5/-only (duly notarized) to the effect that not more than three projects (including this project) are under execution with the allottee company/firm and the promoters of the company /firm".
22. Other conditions of Hydro Power Policy 2006 read with amendments to the same notified from time to time shall be applicable to the developer/IPP which shall also be mentioned as, "that the Hydro Power Policy, 2006 alongwith amendments from time to time shall be abided by him during the occupancy of the project", in the affidavit to be submitted under point no. 21 above as second point.
23. HIMURJA/ H.P. Government shall provide necessary assistance in obtaining clearances at State level.
24. This consent letter is being issued in lieu of MOU and no separate MOU shall be signed by the government.
25. This consent letter is being issued under the orders and authorization of Deptt. of Non-Conventional Energy Sources, Govt. of Himachal Pradesh.
26. If Upfront premium, security charges and processing fee are not deposited within two months from the date of consent letter the project is liable to be cancelled.
27. In case at any stage it is found that this small hydro Electric Project is prejudice to overall optimum development of the river, the government reserves the right to cancel the allotment of the project without any liability/limitations.
28. The DPR of the project is to be completed within the specified time i.e. 24 months (excluding extension of 3 months) failing which project shall stand cancelled.
29. The State Government and the local right holders shall have the right over use of water for irrigation and drinking water supply.
30. The Govt. reserves the right to modify, delete or add any of the conditions, criteria, at its own discretion and shall be at liberty to withdraw the consent if at a later stage it is found that some information has been suppressed or false information has been supplied by IPP about the project.
31. **CAPACITY EXCEEDING 5MW AFTER ENHANCEMENT.**
- If the capacity of the allotted project is enhanced above 5MW, all the charges payable as per Policy for the projects above 5 MW including additional free power royalty are to be paid by the applicant afresh on whole capacity of the project.

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Note:

- (1) The DPR shall clearly bring out the percentage potential utilization of the site and it would be preferable if the DPR demonstrates that the proposal shall lead to more than 75 % of the potential utilization of the site in a 75% dependable year. Capacity utilization factor (CUF) is to be kept between 55% to 60% \pm 2 %.
- (2) Capacity firmed up in the DPR shall be treated as final subject to approval from Government in case of enhancement for according TC and signing of IA.

In case of default of any of the time frame and/or conditions of this consent letter, the Government shall be at liberty to withdraw the consent and forfeit the security and the project can thereafter be granted to other suitable party.

Himurja and H.P. government welcome you to the fraternity of independent power producers engaged in the infrastructural development of the State and reiterates its commitment to facilitate entrepreneurs in the State for over all growth and development, and wish your project all the success.

Yours Sincerely,



(Er K. L. Thakur)
Project Director cum
Dy Chief Executive Officer,
HIMURJA, Urja Bhawan,
Kasumpti, Shimla-171009.

Endst. No.: - A/A

Dated: -

1. Copy is forwarded to the following for information and necessary action:-

- i) Additional Chief Secretary /Principal Secretary/Secretary (Forests/Revenue/I&PH/PWD/ Environment & S.T./ RD & Panchayati Raj / Fisheries) to the Govt. of H.P., Shimla-2.
- ii) Principal CCF (Wild Life), Himachal Pradesh.

All the Departments are requested to render necessary assistance to the IPP to prove or otherwise the feasibility and desirability of the project and formulation of the DPR. This consent be treated as Government permission to the IPP for investigating the project and obtaining various clearances for submission of DPR and possible setting up of the Small Hydro Power Project as described in the letter above.

2. Additional Chief Secretary (NES), to the Govt. of H.P. w.r.t letter No. NES-F (2)-3/2015 dated 07/08/2015 vide which approval has been accorded.
3. The Director (SHP) MNRE Block No.-14 CGO Complex, Lodhi Road, New Delhi-110003 for information please.
4. Director, Directorate of Energy, Shanti Bhawan, Phase-III, Sector-6, Shimla-171009 for information please.
5. M.D. HPTCL Barowalia House, Kahalini Shimla -171002 for information.



6. Deputy Commissioner, Distt. **Kangra** at Dharmashala, **H.P.**
7. The Chief Engineer (SO&P), HPSEB Ltd. Vidyut Bhawan, Shimla 171004 for information and necessary action.
8. The Sr. Project Officer Himurja, Distt. **Kangra** at Dharmashala, H.P. for information and necessary action.

— sd

(Er K. L. Thakur)
Project Director cum
Dy Chief Executive Officer,
HIMURJA, Urja Bhawan,
Kasumpti, Shimla-171009.

**DIRECTORATE OF ENERGY
GOVERNMENT OF HIMACHAL PRADESH
SHANTI BHAWAN, PHASE-III, SECTOR-VI, NEW SHIMLA-171009(HP)**

OFFICE ORDER

Directorate of Energy (DoE), Government of Himachal Pradesh, is pleased to accord Technical Concurrence (TC) to Lower Iku SHEP (1.00 MW) on Iku Khad, tributary of Beas river, Distt. Kangra, Himachal Pradesh allotted to "M/s Vishavkarma Hydel Power, V.P.O. Gaggal Tehsil & Distt. Kangra -176209", at an estimated cost of Rs. 1016.00 lakh (Rupees One Thousand and Sixteen Lakh only) including Interest During Construction (IDC), Escalation, Financial Charges (FC) and Local Area Development Fund (LADF) @ 1% (one percent) of total project cost with the following stipulations:-

1. i) The abstract of the Estimated Cost approved by DoE, GoHP is furnished at **Annex-I** and the Salient Features of the scheme are at **Annex-II**.
ii) The completion cost shall not exceed the above cost except on account of the following:-
 - a) Interest During Construction (IDC) and Financial Charges (FC) shall be as per actuals but not exceeding the amount as indicated at **Annex-I**, unless revised by DoE, GoHP while according concurrence under Section-8 of Indian Electricity Act 2003 after review of the financial package.
 - b) Change in rates of Indian taxes and duties such as Goods and Service Tax (GST), Custom Duty and levy of any other taxes/duties subsequent to issue of Technical Concurrence (TC).
 - c) Change in Indian law resulting in change in the cost.
2. The Technical Concurrence (TC) is subject to the fulfilment of the following conditions:-
 - i) Completed cost/Technical Concurrence (TC) shall not be re-opened due to the following:
 - a) Non acquisition of land.
 - b) Non- finalization of Power Purchase Agreement (PPA).
 - c) Delay in financial closure.
 - ii) The final financial arrangement shall not be inferior to the financing arrangement projected in the Detailed Project Report (DPR) for TC.
 - iii) The cost of the project cleared by the DoE, GoHP is indicative and shall have no binding on the regulator while fixing the tariff. The tariff of the project shall be regulated by the appropriate Electricity Regulatory Commission.
 - iv) The public issue expenses, if any, shall be reconsidered at the time of approval of completion cost based on documentary proof and in accordance with Security Exchange Board of India (SEBI) guidelines regarding regulation of public issue expenses.
 - v) Fulfillment of conditions stipulated in Central Electricity Authority (CEA)/Central Water Commission (CWC) guidelines in respect of civil works at the stage of detailed designs/execution.
 - vi) In case, changes are made in design parameters during construction due to site conditions or otherwise, the same shall be intimated and got concurred from DoE, GoHP before implementation of such changes.
 - vii) Any increase in the cost estimate due to design modifications and geological surprises would be absorbed by the Independent Power Producer (IPP) i.e. "M/s Vishavkarma Hydel Power, V.P.O. Gaggal Tehsil & Distt. Kangra -176209".
 - viii) No additional cost shall be allowed due to Resettlement & Rehabilitation (R & R) Plan.


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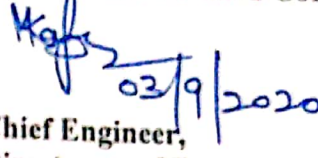
- ix) Normal operation life of the hydro power plant shall be as per provisions of CWC/CEA guidelines or Central Electricity Regulatory Commission (CERC)/ Himachal Pradesh Electricity Regulatory Commission (HPERC) regulations.
- x) The statutory and administrative clearances as per **Annex-III** shall be obtained before execution/ implementation of the project.
- xi) For evacuation of power, the interconnection point with the State grid and interconnection facilities at the interconnection point shall be provided, operated and maintained at the cost of the IPP.
- xii) The cost of providing and/or strengthening/additions etc. of the system at and beyond the Interconnecting Sub-station, which may also include the cost of replacement of switchgear/ protection and provision of shunt capacitors, strengthening of bus bars, apart from other works required at injection voltage level and other one or more successively higher voltages, civil works relocation of existing bays etc. shall be recovered by HPSEBL, as per the regulations of HPERC read with the clarifications/decisions by HPERC and/or any other competent authority as may be finally applicable. The share of IPP on this account shall be paid by the IPP to Himachal Pradesh State Electricity Board Limited (HPSEBL)/ Himachal Pradesh Power Transmission Corporation Limited (HPPTCL) as per the final decision of the competent authority.
- xiii) Whereas the HPSEBL/HPPTCL shall endeavor to provide the power evacuation system at the earliest, the scheduled date for providing evacuation arrangements shall be spelt out in the PPAs on case to case basis inter-alia, keeping in view the time lines indicated in the relevant plan and approved by HPERC.
- xiv) The powerhouse generating equipments as well as other electrical equipments to be provided by the IPP shall be compatible for parallel operation with the State grid after interfacing. The IPP shall be responsible for any loss of generation on this account.
- xv) O&M charges for maintenance of inter connection facilities at the interconnection sub-station shall be paid by the IPP to HPSEBL/HPPTCL throughout the period, the IPP runs the project and the same shall be reviewed at the beginning of every financial year.
- xvi) For evacuation of power the IPP shall interface this project in joint mode through the existing 1.6 Km 11 kV Kand-Kardiana feeder subject to following conditions:-
1. The cost if strengthening / re-conductoring of 11 kV Kand-Kardiana feeder from AAAC 7/3.81 Sq. MM to AAAC 7/4.26 Sq. MM including reclosures at interconnection point along with appropriate protection equipments and other allied accessories shall be borne by IPP.
 2. No deemed generation shall be allowed to the IPP in case of break down and / or shut down of 11 kV HT line or 33/11 kV Jadrangal substation of HPSEBL.
 3. IPP has to bear the calculated line losses from interconnection point to 33/11 kV Jadrangal substation as per prevailing guidelines of HPERC/HPSEBL.
 4. Joint evacuation agreement between Lower Iku and Lower Iku-I has to be executed.
- xvii) The project line shall be provided, operated and maintained by the IPP at his cost as per normal conditions after obtaining approval of HP Govt. under Section 68(1) of Electricity Act, 2003.
- xviii) The above mentioned evacuation arrangements shall be subject to the HPERC approval of "Comprehensive area wise plan for augmenting and establishing of transmission/sub-transmission system for evacuation of power from small HEPs" which has already been submitted to HPERC. The Transmission/Distribution Licensee may however also evolve alternate system(s) depending on the site conditions and subsequent developments with the approval of HPERC.
- xix) The IPP shall develop, operate and maintain the Project including the dedicated transmission system subject to compliance with the following:
- a) Grid code and standards of grid connectivity.
 - b) Technical as well as Mechanical standards for construction of Electrical lines.
 - c) Norms of System Operation of the concerned State Load Dispatch Centre (SLDC) or Regional Load Dispatch Centre (RLDC).

- d) Directions of the concerned SLDC or RLDC regarding operation of dedicated transmission line.
- e) The IPP will only be allowed to inject power in HP system with the undertaking that necessary action to provide tele-metering to SLDC shall be provided by them and specifications required to be got approved from the office of SLDC, HP Load Dispatch Society, Shimla from compatibility point of view with existing Supervisory Control and Data Acquisition (SCADA) system.
- xx) The conditions on these lines shall have to be suitably included by the IPP in the PPA etc. apart from other standard conditions.
- xxi) The observations of DoE, GoHP and replies thereof shall form an integral part of the DPR.
- xxii) Minimum 15% release of water immediately downstream of diversion structure shall be ensured all the times including lean season as per prevailing GoHP notification. The necessary monitoring equipment as prescribed by the Pollution Control Board for the same shall be installed by the IPP during execution of the project.
- xxiii) The levels as specified and approved shall strictly be adhered to for construction of project, also the riparian distances within upstream and downstream projects as per allotment of projects or any other project specific directions / conditions shall be maintained.
- xxiv) The authenticity of benchmark considered for carrying out survey as ensured and intimated by IPP to DoE shall be the sole responsibility of the IPP.
- xxv) The proposed arrangement of laying water conductor system with length 496 m & penstock with length 146 m should be designed w.r.t. all necessary parameters of earth pressure/water pressure in empty/full condition, earthquake condition and with regard to all safety standards norms. The design should be vetted from an authorized & approved agency.
- xxvi) LADC/LADF amount and activities shall be implemented as per Power policy of HP Govt., 2006 and subsequent amendments thereof.
- xxvii) The additional 1% (one percent) free power from the project shall be provided and earmarked for a Local Area Development Fund (LADF) as per HP Govt. Notification No. MPP-F(1)-2/2005-V dated 30.11.2009.
- xxviii) The TC is based on the reports and data furnished by the IPP in the DPR and the relevant information provided by Himurja. It is presumed that information furnished is correct and has been collected reliably after carrying out detailed field investigations and surveys under the supervision of competent personnel. The scrutiny of DPR does not cover the examination of the detailed designs & working drawings of project components in regard to their structural, hydraulic and mechanical performance, safety and also of their positioning and fixing at site. This shall be ensured by the IPP as per standard norms & manuals.
- 3. The project shall be completed within 24 months from the date of start of the construction work.
- 4. The completion cost of the scheme shall be submitted to DoE, GoHP for approval within 3 months from the Commercial Operation Date (COD) of the plant.
- 5. The IPPs shall give free accessibility to the officers and representatives of DoE, Himurja and other relevant Govt. Departments, Commissions etc. to have on the spot assessment of various aspects of the project.
- 6. The firm financial package and tie-up of balance inputs/clearances shall be completed within the period as stipulated in the GoHP Hydro Power Policy, 2006 and subsequent amendments thereof / Implementation Agreement (IA) / Supplementary Implementation Agreement (SIA).
- 7. In case the time gap between the Technical Concurrence (TC) of the scheme and actual start of work on the project is three years or more, a fresh Technical Concurrence (TC) shall be obtained from DoE, GoHP before start of actual work.



- 8 The DoE, GoHP reserve the right to revoke the concurrence if the conditions stipulated above are not complied with to the satisfaction of the DoE, GoHP or parameters are found changed at any stage.

BY ORDER OF THE GoHP

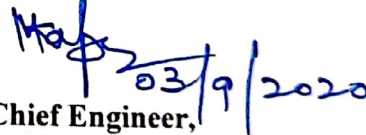

03/09/2020
Chief Engineer,
Directorate of Energy, GoHP,
New Shimla-171009(HP).

No. DoE/CE(Energy)/TC-Lower Iku/2020- 4207 - 16

Dated: 03/09/2020

Copy for kind information and necessary action please, to the:-

1. Addl. Chief Secretary (MPP & Power) to H.P. Govt., Shimla-171002.
2. Addl. Chief Secretary (NES) to H.P. Govt., Shimla-171002.
3. Secretary, Ministry of Non-Conventional Energy Sources (MNES), Block No.14,CGO Complex, Lodhi Road, New Delhi-110003.
4. Director, Environmental & Scientific Technologies, Narayan Villa, Near Wood Villa Palace, Shimla-171002.
5. General Manager, HPPTCL, Himfed Bhawan, Panjari, Below Old MLA Quarters, Shimla-171005.
6. Chief Engineer (SP), HPSEB Ltd, Uttam Bhawan, Dogra Lodge, Shimla-171004.
7. Chief Engineer (Commercial), HPSEB Ltd, Vidyut Bhawan, Shimla -171004.
8. Chief Executive Officer, Himurja, 8A-SDA Complex, Kasumpti, Shimla-171009.
9. Deputy Commissioner, Kangra Himachal Pradesh - 176310.
- ✓ 10. M/s Vishavkarma Hydel Power, V.P.O. Gaggal Tehsil & Distt. Kangra -176209.


03/09/2020
Chief Engineer,
Directorate of Energy, GoHP,
New Shimla-171009(HP).

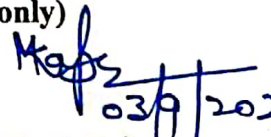


Lower Iku SHEP (1.00 MW) in District Kangra of Himachal Pradesh allotted to "M/s Vishavkarma Hydel Power, V.P.O. Gaggal Tehsil & Distt. Kangra -176209"

ABSTRACT OF COST ESTIMATE

Sr.No.	Description of work	Cost (Rs. in lakh)	
a)			
i)	Civil works i/c other Misc. expenses	565.00	} Price level August, 2020.
ii)	Electro Mechanical Work	271.00	
iii)	Transmission Works	59.00	
	Sub-total (a)	895.00	
(b)			
i)	Interest During Construction (IDC)	65.82	
ii)	Escalation	37.81	
ii)	Financial Charges	7.34	
	Sub-total (b)	110.97	
	Total (a+b)	1005.97	
(c)	LADC @ 1.0% of (a+b)	10.06	
	Grand Total (a+b+c)	1016.03	
	Say	₹ 1016.00 Lakh	

(Rupees One Thousand and Sixteen Lakh only)


03/9/2020
Chief Engineer,
Directorate of Energy, GoHP,
New Shimla-171009(HP).



Lower Iku SHEP (1.00 MW) in District Kangra of Himachal Pradesh allotted to "M/s Vishavkarma Hydel Power, V.P.O. Gaggal Tehsil & Distt. Kangra -176209"

SALIENT FEATURES

I. LOCATION

State	Himachal Pradesh
District / Tehsil	Kangra
Village	Kand (GP Kand Kardiyana)
River/Khad	Iku Khad, sub-tributary of Banganga
Vicinity	Diversion Weir of Lower Iku SHEP at EL±1225.00 m and surface power house on left bank of Iku Khad with Tail Race Level at EL±1158.00 m downstream of village Kand.
Accessibility	By Road 15 KM from Distt H/Q Dharamshala
	By Railway 120 KM from BG Pathankot
	By Air Gaggal Airport

Geographical Co-Ordinates

	Longitude	Latitude
• Weir Site	76° 24' 37.38"E	32° 10' 42.82" N
• Power House Site	76° 24' 31.03"E	32° 10' 24.07" N

SOI Toposheet 52 D/8

II. HYDROLOGY

Stream/nallah	Iku Khad
Tributary of/ Basin	Banganga Khad/Beas river
Catchment Area upto diversion site	30.50 sq.km.
Design Discharge	1.98 cumecs
Design Flood	168.72 cumecs
HFL	Weir site El ± 1226.00 m
	Power House site El ± 1157.42 m

III. PROJECT COMPONENTS:-

A. DIVERSION STRUCTURE / INTAKE:-

Type /Shape	Rectangular Trench weir
Size	15.00 m (L) x 1.80 m (W)
Depth	Varies from 0.80m to 2.00 m
Design Discharge	1.98 cumecs plus flushing & Over Loading discharge
Trash Rack River Bed level	EL ± 1225.00 m
Bed Slope	1 in 12.50
Size of Intake Tank	3.00 x 2.30 m x 2.30 m i/c Free Board
Shingle flushing Pipe	400 mm Dia.

B. APPROACH / CONVEYANCE CHANNEL (Intake to De-Silting Tank):-

Type/ shape	R.C.C. Rectangular Channel
Size	2.00 m (w) x 1.70 m (D) (i/c Free Board)
Length	± 10.00 m

Slope	1 in 500
Design Discharge	1.98 cumecs plus flushing & Over Loading discharge
Velocity	0.96 m/sec

C. DE-SILTING TANK:-

Type	Surface Central Silt Gutter Type
Size	20.00 m (L) x 6.00 (W) x 4.52 m
Design Discharge	1.98 cumecs plus flushing & Over Loading discharge
Particle size to be removed	± 0.25 mm and above
Flow velocity	0.20 m/sec.
Top Level	EL ± 1224.68 m
Full Supply Level (FSL)	EL ± 1224.18 m
Silt Flushing pipe	400 mm dia.

D. WATER CONDUCTER SYSTEM (from De-silting tank to Forebay tank)

Type	Free flow steel pipe
Length	496.00 m
Diameter	1500 mm dia.
Slope	1 in 500
Velocity	1.35 m/sec.
Design Discharge	1.98 cumecs plus Over Loading discharge

E. FOREBAY TANK AND SPILLWAY:-


Type	Surface RCC Tank
Size	10.00 m (L) x 7.00 m (W) x 7.00 m (H) i/c 1.00 m Free Board.
Design Discharge	1.98 cumecs plus Over Loading discharge
Live Storage capacity	285.12 cumecs
Peaking time	2 minutes
Top Level	EL ± 1224.49 m
Full Supply Level (FSL)	EL ± 1223.49 m
Mini. Drawdown Level (MDDL)	EL ± 1222.11 m
Penstock entry Level	EL ± 1218.39 m
Bed Level	EL ± 1217.49 m
Size of spillway	15.00 m (L) x 1.20 m (W)

F. PENSTOCK:-

Type	Circular, Surface steel penstock
Number/size of main penstock	One/1100 mm ϕ
Length of main penstock	146.00 m
Plate Thickness	Varying between 12mm to 16 mm
Velocity	2.50 m /sec
Material of steel liner	IS 2062 Grade C
Number of branches	Two
Size of branch penstock	15.00 m Long (each), 850 mm ϕ

G. POWER HOUSE:-

Type	Surface Power House
Size	15.00 m x 10.00 m x 8.00 m
C/L of Jet	EL ± 1160.00 m


Page 7 of 9

Installed Capacity	1.00 MW (2 units of 500 kW each)
Max. Gross Head	65.00 m
Rated Net Head	60.10 m
Power House Crane	6/2 Tonnes EOT Cranes

Turbine

Type	Horizontal Pelton Turbine
Number	Two
Rated Capacity	500 kW (each)
Rated Speed	500 rpm


Generator

Type	Horizontal Synchronous
Number	Two
Rated Capacity	500 kW (each)
Power Factor	0.90
Rated Voltage	0.415 kV+10%
Rated Frequency	50 Hz
Rated Speed	500 rpm
Overloading Capacity	10%

H. TAIL RACE:-

Type	RCC Box Type channel
Size	1.50 m x 1.40 m i/c Free Board
Length	10.00 m
Slope	1 in 500
Tail Race Level	EL \pm 1158.00 m


I. Construction Period	24 months
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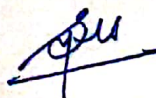

 03/9/2020
Chief Engineer,
Directorate of Energy, GoHP,
New Shimla-171009(HP).

Lower Iku SHEP (1.00 MW) in District Kangra of Himachal Pradesh allotted to "M/s Vishavkarma Hydrel Power, V.P.O. Gaggal Tehsil & Distt. Kangra -176209"

LIST STATUTORY AND ADMINISTRATIVE CLEARANCES REQUIRED

Sr.No.	ITEM	AGENCY	REMARKS
1.	WATER AVAILABILITY	1. State Govt. 2. CWC	Interaction with State Govt. Deptt. & CWC required. Relevant Irrigation Act of the State & Central Water Commission to be implemented.
2.	HPSEBL CLEARANCE	1. HPSEBL. 2. State Govt.	As per Indian Electricity Act, 2003.
3.	POLLUTION CLEARANCE WATER AND AIR	State/Central Pollution Control Board	Water (Prevention & Control of Pollution) Act, 1974 Air (Prevention & Control of Pollution) Act, 1981.
4.	FOREST CLEARANCE	1. State Govt. 2. MoEF & CC, GoI.	Coordination with State Forest Deptt./ Min. of Environment & Forest (MoEF & CC) regarding Forest (Conservation) Act, 1980.
5.	ENVIRONMENT & FOREST CLEARANCE	1. State Govt 2. MoEF & CC, GoI.	As per item (3) & (4) and Govt. Policy in force.
6.	REGISTRATION	Registrar of Companies.	Under Indian Companies Act, 1950.
7.	REHABILITATION & RESETTLEMENT OF DISPLACED FAMILIES BY LAND ACQUISITION	1. State Govt 2. MoEF & CC, GoI.	
8.	EQUIPMENT PROCUREMENT	Directorate General of Technical Development (India), Competition Commission of India	As per Import & Export Acts.


03/9/2020
Chief Engineer,
Directorate of Energy, GoHP,
New Shimla-171009(HP).





(H.P.Govt. Energy Development Agency)
HIMURJA, Urja Bhawan, Block No 8-A SDA Complex, Kasumpti, Shimla-171009
PHONE-0177-2621783, FAX 0177-2622635

No. HIMURJA/SHP-IA/Lower Iku(159)/2015- **7438**

Dated: **19-1-2022**

To

M/s Sanjeev Hydro Projects Pvt. Ltd.,
VPO Sauhora, Tehsil & Distt. Kangra,
Himachal Pradesh

Subject:- Implementation Agreement for Lower Iku (1.00MW) in District Kangra Himachal Pradesh

Dear sir,

This has reference to Implementation Agreement (IA) of **Lower Iku (1.00MW) in District Kangra (H.P.)** signed by you with H.P Govt. on **18.01.2022**. Enclosed please find one set of Implementation Agreement in original alongwith annexure for information and record at your end. You are requested to attend to the following points in regard to the projects being executed by you.

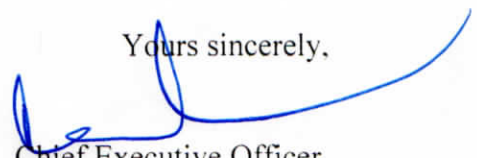
- i) The requisite works of land acquisition, obtaining of clearances, no-objection certificate and mobilization of work force & machinery is initiated immediately for timely completion of the project.
- ii) Sign boards highlighting various details as per **Annexure-A** be prepared and fixed at the main road on the bifurcation and at the proposed site of the project.
- iii) A proforma (**Annexure-B**) showing the details of various activities required for the execution of HEP is enclosed with the request that all these activities including more, if any, be incorporated in the construction schedule for **Lower Iku (1.00MW)** project and copies of the same be sent to us in quadruplicate within one month. The Bar Charts for Lower Iku project be accordingly prepared after planning and fixing all the requisite activities and submitted to this office in quadruplicate within one month.
- iv) Quarterly progress report in respect of **Lower Iku (1.00MW)** project on the prescribed proforma (**Annexure-C**) for four quarters i.e. Jan-March, April-June, July-September and October-December be sent to this office by the 10th of the succeeding month regularly and in time positively.
- v) Information regarding the staff employed for **Lower Iku (1.00 MW)** whether Himachalis or Non-Himachalis, Skilled & Semi-Skilled with their complete residential address be supplied regularly on monthly basis.
- vi) If at a later stage, it is found that some information has been suppressed or false documents have been supplied by you at the time of submission of application or subsequently, the whole responsibility will be yours and Govt. will be at liberty to take legal action against your firm.
- vii) Second Party agrees to pay outstanding amount, if any, to the First Party, within a month from the date of communicating the same to the Second Party.

- viii) Second Party agrees that in case of any inadvertent omission or commission or mistakes, appearing in Implementation Agreement (IA), are liable to be rectified at any time on or after commissioning of the project to bring the terms and conditions in accordance with the extent of Hydro Power Policy/Rules and Guidelines if the State Government that may be enforced from time to time.

This may be treated as most urgent and receipt of this letter may kindly be acknowledged.

Encl:- A/A

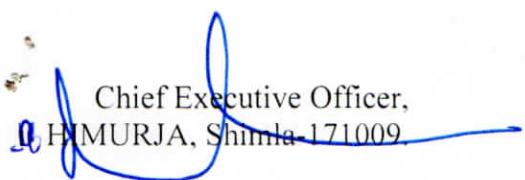
Yours sincerely,

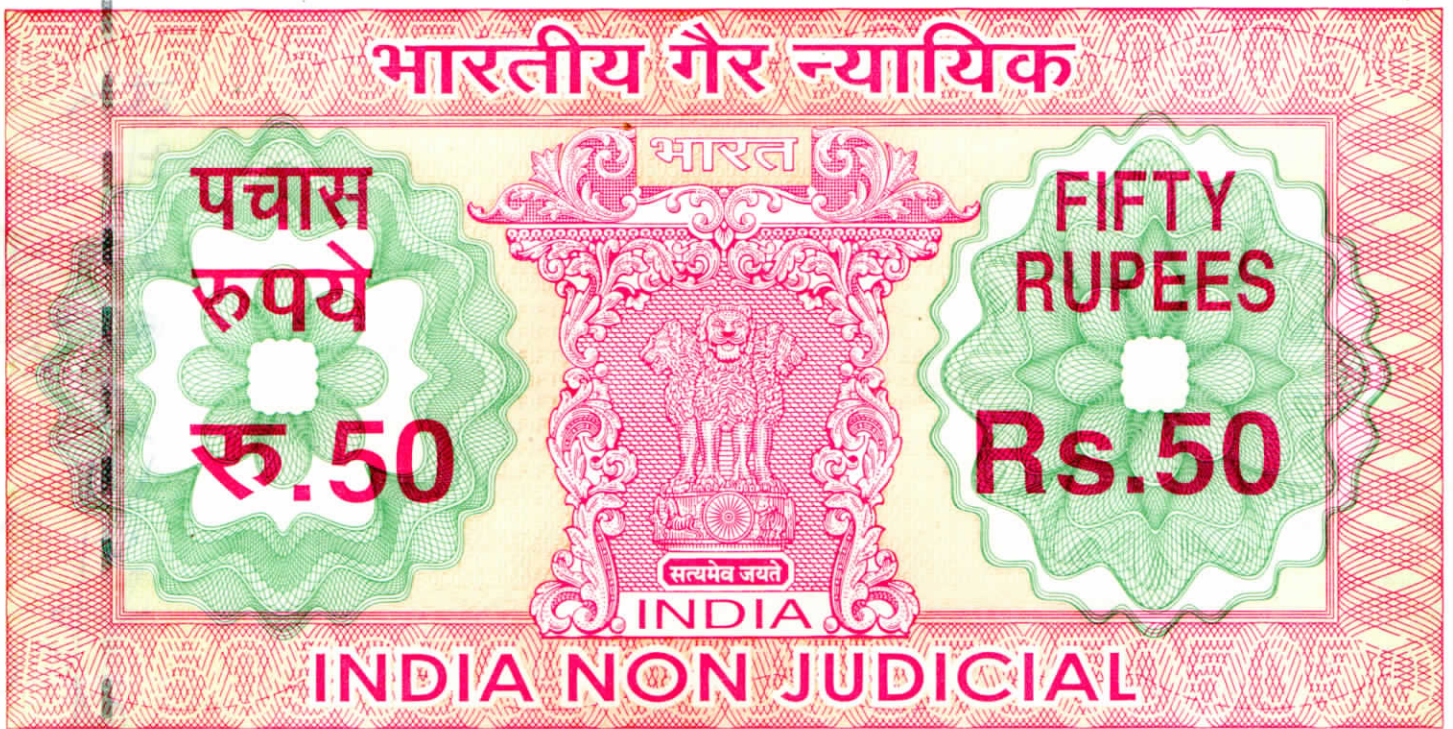

Chief Executive Officer,
HIMURJA, Shimla-171009

Endt. No.: - A/A 7439-52 Dated : 19-1-2022

Copy of Implementation Agreement Lower Iku (1.00MW) SHEP in District Kangra (H.P.) in respect of M/s Sanjeev Hydro Projects Private Limited, VPO Sauhora, Tehil & District Kangra forwarded to the following for information & record at their end please.

- i) The Additional Chief Secretary (NES), to the Govt. of H.P., Shimla-171002 a/w one set of IA in original.
- ii) The Additional Chief Secretary (MPP & Power), to the Govt. of H.P., Shimla-171002.
- iii) The Additional Chief Secretary (Revenue), to the Govt. of H.P., Shimla-171002.
- iv) The Principal Secretary (Home), to the Govt. of H.P., Shimla-171002.
- v) The Pr. Chief Conservator of Forest, Forest Department, Talland, Shimla-171001.
- vi) The Director, Directorate of Energy, Shanti Bhawan, Phase-III, Sector-VI, New Shimla (H.P)- 171009.
- vii) The Deputy Commissioner, Kangra (H.P).
- viii) The Managing Director, HPTCL, Himfed Bhawan, Panjari, Shimla-171004.
- ix) The Chief Engineer (SO& P), HPSEBL, Vidyut Bhawan, Shimla-171004.
- x) The Member Secretary, PCB, BCS-III, New Shimla (H.P)-171009.
- xi) The Director (SHP), MNRE, Block No. 14, CGO Complex, Lodhi Road, New Delhi-110003.
- xii) The Director-cum-Warden of Fisheries, Himachal Pradesh, Bilaspur, District Bilaspur (H.P.).
- xiii) The Labour Commissioner-cum-Director, Employment H.P., HIMRUS Building, Near HIMLAND Hotel, Shimla (H.P.).
- xiv) The Project Officer, HIMURJA, Kangra (H.P) with a direction to ensure regular monitoring & compliance.


Chief Executive Officer,
HIMURJA, Shimla-171009



हिमाचल प्रदेश HIMACHAL PRADESH

C 588085

IMPLEMENTATION AGREEMENT

FOR

LOWER IKU HYDRO ELECTRIC PROJECT (1.00 MW)

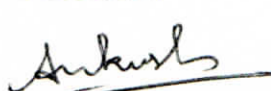
DISTRICT – KANGRA, HIMACHAL PRADESH

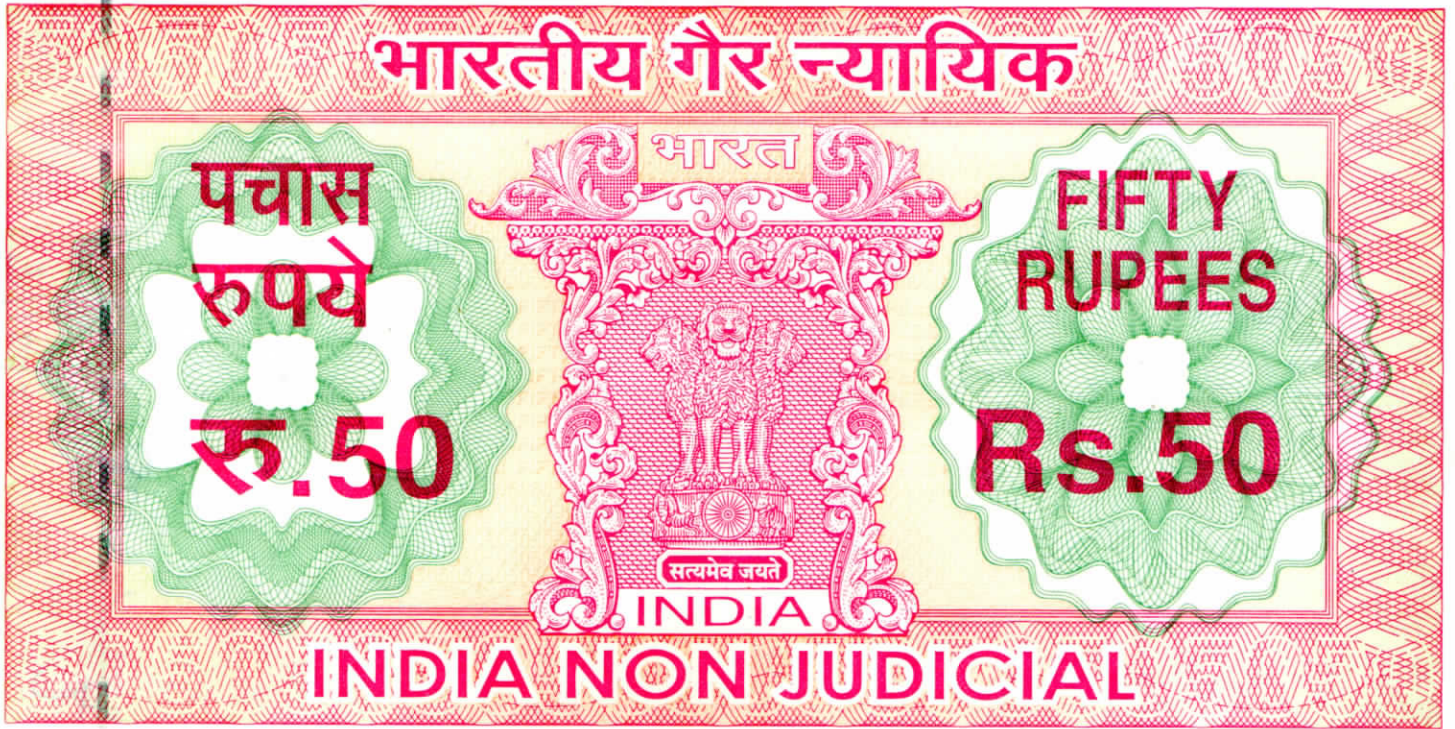
THIS IMPLEMENTATION AGREEMENT executed on the 18th day of the month of January, 2022 (Two Thousand Twenty Two) BETWEEN THE GOVERNMENT OF HIMACHAL PRADESH through the Special Secretary (NES), to the Government of Himachal Pradesh-cum-Chief Executive Officer, HIMURJA, having its office at Block 8-A, Urja Bhawan, SDA Complex, Kasumpti, Shimla (H.P.)-171009, (hereinafter referred to as the "First Party") which expression shall unless repugnant to the context or meaning thereof include its successors, assigns and legal representatives of the FIRST PART:

AND

M/s Sanjeev Hydro Projects Pvt. Ltd. firm having its Registered Office at Village & Post Office Sahoura, Tehsil & Distt Kangra, Dharamshala-176209 (hereinafter referred to as the "Secord Party") which expression shall, unless repugnant to the context or meaning thereof, include its successors, administrators and assigns, through Sh. Ankush Koundal, Authorized Signatory who is duly authorized by the competent authority of the Concern on dated 11.11.2021 to execute this agreement, of the OTHER PART.


Special Secretary (NES)
to the Govt. of H.P.-
cum-CEO HIMURJA
Shimla-171 009


Sanjeev Hydro Projects Pvt. Ltd.
Authorized Signatory



हिमाचल प्रदेश HIMACHAL PRADESH

C 588080

WHEREAS the First Party in accordance with the policy guidelines of the Government of Himachal Pradesh (hereinafter referred to as "GoHP") had issued Consent Letter on 10-8-2015 (APPENDIX "A") to the Second Party to carry out detailed investigations of the **Lower IKU (1.00MW)** capacity, located in District Kangra Himachal Pradesh (hereinafter referred to as "Project") and

WHEREAS the project is envisaged on Iku Khad a tributary of Banganga in Beas River in District Kangra between the allotted elevations range EL \pm 1225 M to EL \pm 1110 M; and

WHEREAS the Second Party has carried out necessary detailed investigations for the Project and submitted a DPR for **1.00 MW** project capacity to the First Party within the stipulated period from the date of issuing consent letter and both the parties have satisfied themselves about the techno economic feasibility of the Project; and

WHEREAS the competent authority has accorded Techno Economic Clearance (TEC) to the project for **1.00 MW** capacities vide their letter No. DoE /CE(Energy)/TC-Lower Iku/2020- 4207-16 dated 03-09-2020; and


WHEREAS it is deemed necessary and expedient to enter into a detailed agreement between the parties hereto incorporating the terms and conditions of this agreement arrived at for the implementation of the Project; and

NOW THEREFORE THE PARTIES DO HEREBY AGREE AND AFFIRM HERE UNDER AS FOLLOWS:-

1 STATEMENT OF IMPLEMENTATION OF PROJECT

Both the parties agree that the Project shall be implemented, subject to the terms and conditions mentioned in this Agreement.

Special Secretary (NES)
to the Govt. of H.P.-
cum-CEO HIMURJA
Shimla-171 009


Sanjeev Hydro Projects Pvt. Ltd.

Authorized Signatory

2. DEFINITIONS. -

2.1 In this Agreement, the various terms shall have the following meanings, except where the context otherwise requires, definitions and other terms expressed in the singular shall also include the plural and vice versa, namely:-

- (a) "agreement" shall mean this agreement together with all its appendices and annexures and any amendments thereto made in accordance with the provisions herein contained;
- (b) "concession period" shall mean the duration for which the First Party allows the Second Party to build, own and operate the Project.;
- (c) "commercial operation date" (COD) shall mean the date on which Second Party synchronizes the First unit of the Project with the grid;
- (d) "construction schedule" means the schedule of construction attached as "APPENDIX-B";
- (e) "contractor" means any person, firm or body corporate engaged by the Second Party for the implementation of the Project;
- (f) "deliverable energy" shall mean the electrical energy generated by the project, as measured at the interconnection point;
- (g) "effective date" means the date on which this agreement is signed by the parties hereto;
- (h) "energy/power" shall mean the electrical energy/power in Kwh/MW;
- (i) "force majeure" shall have the meaning as described thereto in **Clause 15.2** hereunder;
- (j) "Implementation of project" shall mean an act to establish, own, operate and maintain the Project;
- (k) "HIMURJA" means the Himachal Pradesh Energy Development Agency;
- (l) The Power of Lower Iku SHEP (1.00MW) can be evacuated as under:-
For evacuation of power the IPP shall interface this project in the joint mode through the existing 1.6 Km 11Kv Kand- kardiana feeder subject to following conditions :-
 - 1. The cost if strengthening/ re- conductoring of 11Kv Kand-Kardiana feeder from AAAC 7/3.81 Sq. MM to AAAC 7/4.26 Sq. MM including reclosures at interconnection point along with appropriate protection equipments and other allied accessories shall be borne by IPP.
 - 2. No Deemed generation shall be allowed to the IPP in case of break down and/ or shut down of 11Kv HT line or 33/11Kv Jadrangal substation of HPSEBL.
 - 3. IPP has to bear the calculated line losses from interconnection point to 33/11kv Jadrangal substation as per prevailing guidelines of HPERC/HPSEBL.
 - 4. Joint evacuation agreement between Lower Iku and Lower Iku-I has to be executed.
- (m) "month" shall mean the English Calendar month;
- (n) "permanent works" means the permanent works forming part of the Project and shall include housing facilities for staff to be engaged for operation and maintenance of the Project;
- (o) "plant" shall mean imported and indigenous machinery, equipment, spares and other items required for and which form part of the permanent works of the Project;

- (p) "Power Purchase/Wheeling Agreement(s)" shall mean the agreement(s) to be signed between the Second Party and HPPTCL/HPSEBL concerned party (ies) as per **Clauses 12.3 & 12.4** hereunder;
 - (q) "Project Affected Areas" shall mean areas/ villages surrounding/ falling in the catchment/ watershed areas extending from the Reservoir/Diversion Weir to the Tail Race of the Project;
 - (r) "project cost" shall mean the actual capital expenditure on the Project incurred upto the completion of the Project including all costs incurred by the Second Party in complying with the terms of this Agreement, unless mentioned otherwise, but not exceeding the approved Project cost in the DPR as per techno economic clearance accorded by the competent authority, as the case may be. Where the actual expenditure exceeds the approved Project cost, the excess expenditure as approved by the Competent Authority shall be deemed to be part of the actual capital expenditure;
 - (s) "scheduled commercial operation date" shall mean the date by which the Second Party shall have synchronized the first unit of the Project with the Grid as per the Construction Schedule;
 - (t) "site" shall mean the site of Project appurtenances, generating Plants including land, waterways, roads and any rights acquired or to be acquired by Second Party for the purposes of the Project;
 - (u) "State" shall mean the State of Himachal Pradesh;
 - (v) "temporary works" means all temporary works of any kind required in connection with the execution of the works of the Project and not forming part of permanent works; and
 - (w) "works" means all works inclusive of the temporary works and permanent works including design, engineering services, supplies and other work activities required as necessary for the completion of the Project;
 - (x) "competent authority" will be the Director Energy, the Government of Himachal Pradesh or such entity as may be notified in this behalf by the Government of HP from time to time.
- 2.2 Any term used in this agreement but not defined under this Clause shall have the same meaning as assigned to it under the Electricity Act, 2003.

3. SECURITY CHARGES

And whereas the Second Party has furnished security charges by way of Demand Draft bearing No. 501333 dated 08-12-2021 amounting to **Rs 50,000/- (Rupees fifty thousand) only @ Rs.50,000/- per MW (refundable)** in favour of Director, HIMURJA, payable at Shimla, based on capacity in MW as per approved TC. The amount of Security Deposit shall be treated as Performance Guarantee after the commissioning of the Project, which shall be refunded to the Second Party only after successful operation of the project for 6 (six) months from COD of project.

4. GRANT OF PROJECT CONCESSION BY STATE GOVERNMENT

- 4.1 The First Party agrees to permit the Second Party, for the project Lower Iku (1.00 MW) capacity, to establish, own, operate and maintain the Project for a period of 40 (forty) years and the date shall be reckoned after 30 months (Thirty) months from the date of the signing of the Implementation Agreement or from the date till which extension in SCOD is granted by the First Party. After the expiry of the Implementation Agreement period of 40 (forty) years, the project shall revert to the First Party free of cost and free from all encumbrances. However,

the First Party would have the option to grant a further extension for a period mutually agreed upon between the First Party and the Second Party after re-negotiations of terms and conditions of the already signed Agreement.

- 4.2 The Project assets would be maintained by the Second Party in a condition that would ensure a residual life of the project at the rated capacity for at least concession period. During the 10th, 20th, 30th & 35th years of operations, the First Party or one of its appointed agencies would carry out a mandatory inspection of the Project site to ensure that the Project assets are maintained to the required standards to ensure the specified generation capability and residual life of the plant.

If such inspections find that the project capacity and/or life are being undermined by inadequate maintenance, the First Party shall be entitled to seek remedial measures from the Second Party. If the Second Party fails to comply with the requirement, the First Party would have the right to take over the commercial operation of the project and shall have full right upon the sale of power including Second Party share. The cost on account of suggestive remedial measures shall be deducted from the sale of Second Party's share of metered power including the operation & maintenance cost for such a period till the project's assets are restored to the requisite standards to ensure the specified generation capability and residual life of the Project as specified above. Thereafter, the Project shall be handed over to the Second Party.

5. STARTING DATE OF PROJECT :-

- 5.1 Within six months from the effective date of signing of this agreement, the Second Party shall start the construction of the Project after meeting the following major requirements, namely:-

- a) Obtaining non-statutory/statutory clearances listed below:-
 - (i) NOCs from the departments viz; PWD, I&PH, Wild Life, Fisheries and Revenue.
 - (ii) NOC from Gram Panchayat.
 - (iii) FRA Certificate.

The Second Party shall submit the proposal to the concerned Deputy Commissioner for obtaining approvals/NOCs from different departments including Gram Panchayat. Deputy Commissioner shall forward the same to concerned departments within seven days. Deputy Commissioner shall convene a meeting of all concerned departments on the basis of reports and ensure issuance of required approvals/NOCs within 30 days period in the form of single window clearances.

- (iv) Forest Land Clearance
- (v) Private Land Transfer (Permission under Section 118)
- (vi) PCB
- (vii) Essentiality Certificate: Above mentioned NOCs/clearances shall not be required for issuing EC. EC should be only for maximum quantum of land required for the purpose at project site without mentioning Khasra Number because actual forest land and lease land at site will be decided by forest and Revenue Departments based on ceiling under EC
- b) Finalize Power Purchase/Wheeling Agreement(s).
- c) Such other clearances as may be specified by the First Party subsequent to the signing of this agreement.

Extension in time period for commencement of construction activities (achieving zero date for commencement of construction activities) shall be granted without levying any extension fee/charges where delays are not attributable to the project developers on the grounds as elaborated in the notification No. MPP-F(1)2/2005-XIII dated 07.03.2019.

Provided that the Second Party has applied for the respective Clearances/NOCs Lease of Government land complete in all respects within the stipulated time frame corresponding to respective milestones.

Where applicable extension fee/charges will be levied @ Rs. 10,000/- per MW per month.

- 5.2 HIMURJA shall monitor the progress of the Project periodically and shall also monitor the progress of steps taken/being taken by the Second Party for obtaining the statutory/non-statutory clearances mentioned in **Clause 5.1** above and commence the construction work within the time frame specified in **Clause 5.1** above. At the end of each quarter, the Second Party shall be required to submit quarterly progress report to the First Party. The first party will be at liberty to cancel the Implementation Agreement (IA), after affording due opportunity to the Second Party, in case the First Party is not satisfied about the progress made by the Second Party.

6. CAPACITY ADDITION:-

- 6.1 If the Second Party enhances the capacity of the project at any stage after allotment then the Second Party shall be required to furnish the up-front premium as applicable at the rates notified by the H.P. Government from time to time.
- 6.2 Second Party shall have to deposit processing fee and security charges afresh for signing of Supplementary Implementation Agreement (SIA) on account of enhanced capacity after accordance of TEC and signing of IA; at the rates applicable at the time of signing of IA.
- 6.3 No fresh NOCs/clearances required from the concerned Gram Panchayats in case allotted installed capacity is enhanced within the allotted domain. However, the Second Party shall be liable to deposit requisite fee/charges in accordance with the revised capacity in line with the prevailing norms of the respective authorities/departments.

7. TERMINATION OF AGREEMENT

- 7.1 In the event of stoppage of construction on the main Project components by the Second Party for a period of more than three months for reasons not covered under force majeure and for reasons attributable to the Second Party, the First Party shall, after giving due opportunity to the Second Party, have the right to terminate this Agreement. In such event, the Performance Guarantee, furnished by the Second Party in the shape of Demand Draft as per **Clause 3** of the agreement, shall stand forfeited and the Site shall revert to and shall vest in the First Party without any compensation. Notwithstanding any vestment in the First Party under this clause, the Second Party shall be liable to pay all the dues owed to the First Party by the Second Party in pursuance to this agreement.
- 7.2 During the operation of the Project, the Second Party shall ensure free energy to the First Party as per **Clauses 12.1 & 19.2** hereafter. In the event of the Second Party (i) not being able to provide free power as per **Clauses 12.1 & 19.2** to the First Party for reasons other than transmission failure, or (ii) abandons the Project, the First Party shall have the right to terminate this agreement after serving a notice to the Second Party.

8. LAND

- 8.1 The First Party shall acquire, at the request and expense of the Second Party within the provisions of Land Acquisition Act., 1894, such private lands within the State of Himachal Pradesh as may be required by the Second Party and as considered appropriate by the First Party for the implementation of the Project. The Second Party shall also be allowed to acquire such land through direct negotiations with the owners in accordance with the prevailing laws, rules and regulations in the State.
- 8.2 Land whether private or Government except for permanent structures relating to the Project such as water conductor system, power houses building, switchyard area etc. shall be taken only on lease basis at the rates approved by the Government for the agreement period. The First Party shall acquire the land for the permanent structures by invoking the compulsory provisions under the Land Acquisition Act, 1894 in order to expedite the execution of Projects.
- 8.3 The First Party shall arrange for the short term lease for a period as per the actual requirement not exceeding five years, of Government land required by the Second Party for temporary works for the construction of the Project as considered appropriate by the First Party on such terms, conditions and rates as may be prescribed/fixed by the Government from time to time.
- 8.4 Lease and Lease money to be regulated as per lease Rules of the State Government as notified from time to time.
- 8.5 Private Land of any person/farmers are acquired for the purpose of setting up of power project(s) in the state and concerned beneficiaries claim/opt for exchange of Govt. land instead of money compensation and if the exchange of Govt. land is approved by the First Party on availability of land, the cost of Govt. land will be paid/recovered from the Second Party/executive agency of the project.

9. PROTECTION OF ENVIRONMENT

- 9.1 The Second Party shall make suitable financial provisions in the Project Cost for the Catchment Area Treatment Plans, if required and as may be determined by the GOI, MOEF/State Government. The cost involved on this account shall be paid by the Second Party to the First Party.
- 9.2 The Second Party shall be responsible to maintain ecological balance by preventing deforestation, water pollution and defacement of natural landscape in the vicinity of works area. The Second Party shall take all reasonable measures to prevent any unnecessary destruction, scarring or defacement of the natural surroundings in the vicinity of the Project.
- 9.3 The Second Party shall give an undertaking to the Fisheries Department of the local area that wherever feasible, rearing of fish shall be promoted by the Second Party in consultation with Fisheries Department in the project area at the time of final implementation of the Project. No charges for projects upto 2.00 MW. The projects above 2.00 MW upto 5.00 MW, the Fisheries Department will charge compensation @ 0.50 Lac per MW. Whereas any development conservation projects of Fisheries Department are impacted, separate charges as per Fisheries Department proposal. It will be mandatory to utilize this amount on the same stream/nallah or elsewhere and formulate schemes accordingly.
- 9.4 The Second Party shall ensure that the material excavated from the site shall be dumped in the area duly approved by the Ministry of Environment & Forests, the Government of India/State Pollution Control Board.
- 9.5 In case any existing facilities such as irrigation, water supplies, roads, bridges, buildings, communication systems, power systems and water mills are adversely affected because of the implementation of the Project, the cost of replacement thereof or of the remedial measures, as the case may be, shall be included in the

Project cost. Though such facilities shall be mutually identified, listed and finally fixed within four (4) months of signing of this Agreement, the Second Party shall be responsible to make good the loss or provide remedial measures as are necessary even during Implementation of the Project. The Second Party shall not interfere with any of the existing facilities, till alternate to the facility as is finally decided for replacement, is not created.

- 9.6 The Second Party, 'if ROR Project, shall ensure minimum flow of 15% water immediately downstream of the diversion structure of the Project throughout the year. For the purpose of determination of minimum discharge, the threshold value of not less than 15% of the minimum inflow observed in the lean seasons shall be considered. This minimum discharge is required keeping in mind the serious concerns of the State Government on account of its fragile ecology & environment and also to address issues concerning riparian rights drinking water, health aquatic life, wild life, fisheries, silt and even to honour the sensitive religious issues like cremation and other religious rites etc. on the river banks".
- 9.7 The Second Party shall ensure that the water requirement for construction of the Project including domestic needs for its residential colonies be arranged and harnessed by them from the river sources only and the local sources of water supply shall not be disturbed.
- 9.8 The First Party shall have the right for withdrawal of water from the river course for consumptive use by pumping or by gravity for the purpose of potable water supply and irrigation to the affected villagers.

10. REHABILITATION/ RESETTLEMENT:-

The Second Party shall prepare Rehabilitation and Resettlement Plan as per model R&R plan annexed to this agreement for people residing at site as on the effective date and likely to be adversely affected or displaced due to construction of the Project.

11. EMPLOYMENT TO HIMACHALIS

The Second Party shall ensure to employ at least seventy percent of its total manpower, employed whether on regular /contractual/ Sub contractual/ daily basis or employment through any other mode from amongst the bonafide Himachalis at all levels in "A" 'B, & 'C, category of Blocks respectively. The employment condition shall not be applicable to Projects employing only one employee, located anywhere in the State and in the self employed ventures where the owner is running the unit without employing any manpower. In case of violation of this condition at any point of time during the period of construction of the project and during operation & maintenance of the project, the Second Party shall be penalized and the Second Party shall be liable for further stringent action, including refusal of accepting supply by HPSEB Ltd./any other licensee from the commissioned projects. Labour Department will monitor the employment position at site as per the provision of Industrial Act. Any violation noticed by Labour Department or HIMURJA will be communicated to the Second Party for rectification. If the Second Party fails to rectify the same within three months, penalty @ Rs. 1000/- per MW for each percentage of shortfalls of violation shall have to be paid by the Second Party. If the violation is repeated for 6 months the penalty amount shall be doubled.

The Second Party shall be required to provide mandatory employment related information to the Labour Department of the Himachal Pradesh Government as well as concerned HIMURJA's Project Officer on the lines of instructions issued

by the First Party in this regard within one month of signing of the IA and thereafter on monthly basis.

12. ROYALTY TO GOVERNMENT

12.1 Projects above 2.00 MW & upto 5.00 MW capacity:-

- i) Royalty in the shape of free power in respect of sale of power within the State (captive use or sale to HPSEB Ltd.), to the State from Lower Iku (1.00 MW) SHEP will be @ 2% for a period of 12 years reckoned after thirty months (30) months from the date of signing of IA of the Project or from the date till which extension in SCOD is granted by the First Party. Beyond 12 years, royalty shall be @ 12% for next 18 years and beyond that @ 18% upto the date of taking over of the project by First Party referred to in **Clause 4.1** of the already signed implementation agreement.

The free Power quantum to be received on account of free power share of the State will be deferred for the critical period of initial 12 years from the date of achieving Scheduled Commercial Operation Date (SCOD) or Commercial Operation Date (COD) whichever is earlier. The quantum to be deferred shall be recovered during the balance agreement period in a uniform percentage rate for all the ongoing private sector projects which are under construction and various stages of clearances as defined in the notification No MPP (F) 2/2005-X dated 15-5-2018.

If Second Party makes captive use of Power outside the State or make third party sale, the above rates of royalty shall be 12%, 15% and 24% respectively reckoned from the date the Second Party actually Start making captive use of power outside the State or third party sale.

- 12.2 The balance energy, after adjustment of free energy, may be used/sold by the Second Party in the following manner:-

- (a) Balance energy shall be made available by the Second Party at the interconnection point to the HPSEBL, wherein HPSEBL will mandatorily purchase the entire power generated from the project at the HPERC determined tariff. This shall be applicable to the projects commissioned after the notification No. MPP (F)-2/2005-XIII dated 10.10.2018.
- (b) Make captive use or negotiate Third Party within the State of evacuate power for captive use or sale outside the State, no open access charges for the use of interstate transmission network shall be payable by hydro projects having capacity upto 25 MW.

12.3 Royalty rates for capacity addition

Continuation of 2006 policy i.e. for project upto 5 MW, capacity will be as determined at Feasibility Report (F.R.) approval and TC and no additional free power will be payable. Normal Upfront premium @ Rs.90,000/- per MW on total capacity is payable.

If any project, where the allotted capacity is upto 5.00 MW and after capacity addition by way of optimization, it gets shifted to above 5.00 MW category, 3% Additional Free Power shall be levied over & above the rates of Normal Free Power Royalty as per the Policy applicable to Projects above 5.00 MW category at the time of approval of capacity enhancements.

- 12.3 Wheeling charges required to be paid for power to be transmitted within and outside the State shall be determined as per policy of HPSEB Limited/SERC/HPPTCL at that time. Commission will rationalize wheeling tariff to make it equitable so as to provide level playing field to all generators across the State.
- 12.4 Solid tap connectivity at the nearest 11 kV or 22 kV line upto 2 MW generation capacity will be allowed, with appropriate protection.
- 12.5 No wheeling/transmission charges shall be payable for free energy from the generating station to the interconnection point.

13 OBLIGATIONS OF THE PARTIES

Obligations of the Second Party.

- 13.1 Subject to availability, security, and operational factors being met, the Second Party shall permit free use by the First Party and the general public of all service roads constructed and maintained by it for the project. The Second Party shall bear the cost of any of the existing roads required to be improved/ widened for the construction of the project and also bear the incremental maintenance cost.
- 13.2 The Second Party shall undertake the implementation of the Project, keeping in view all stipulated quality control and as well as safety standards and the physical as well as financial parameters of the approved DPR. The Private Investor shall allow access to the authorized representative(s) of the Himachal Pradesh Government/HPSEB Ltd./HIMURJA/any other Agency authorized by Himachal Pradesh Government to all location of the Project to ensure compliance in this regard.
- 13.3 The Second Party shall ensure that the execution, operation and maintenance of the Project is generally in accordance with the DPR approved by the HPSEB Ltd./First Party. The First Party shall ensure that the Planning/Design/Construction of any other Hydro-electric Project upstream/downstream of the Project shall not affect the annual energy generation at the Project adversely. The Second Party shall also have no claim on account of development of any upstream and downstream Project in future, which may be constructed with the approval of the First Party unless such development adversely affects the scope of the Project.
- 13.4 The Second Party shall be fully responsible for any damage or loss arising out of the construction, operation or maintenance of the Project to any property or person and also undertake to indemnify the First Party on such account subject to force majeure. The First Party shall then hold the Second Party accountable for any such damage or loss.
- 13.5 The Second Party shall pay all taxes and duties or other levies etc. to the Government of India/Himachal Pradesh Government as per statutory rules in force from time to time.
- 13.6 The Second Party shall abide by the provisions contained in the Hydro Power Policy of the Government of Himachal Pradesh.

Obligations of the First Party :-

- 13.7 If any approval is required under the laws of India for the Second Party, the lenders, or any Contractor with respect to the Project, upon due and timely application therefore being made by the Second Party, First Party shall take all reasonable and appropriate steps within its administrative power, as permissible by law, to ensure that such approval is granted expeditiously, if such grant is permissible under the law.

14. POWER EVACUATION

- 14.1 Evacuation of power from the Project upto the HPSEB Ltd./HPPTCL/ Regional Grid Sub-station, as provided in the TC shall be the responsibility of the Second Party and shall be a part of the Project.
- 14.2 The transmission system covered under this Project may be used for evacuation of power from other projects on the directions of the State Transmission Utility. In such situation the wheeling charges for common transmission system shall be as decided by HPERC.
- 14.3 The Second Party shall follow the directives of State Load Dispatch Centre (SLDC) in the interest of the integrated grid operation. Any dispute with reference to the integrated operation will be referred to the competent authority whose decision shall be final. Pending the decision of the competent authority the SLDC's directions shall prevail in the interest of smooth operation of the grid.

15. FORCE MAJEURE

- 15.1 Notwithstanding the provisions of the **Clauses 3, 7.1 and 7.2** above, the Second Party shall not be liable for the forfeiture of its Performance Guarantee or termination for default, if the non-performance or the delay in the discharge of its obligations under this agreement is the result of an event of force majeure.
- 15.2 For the purpose of this agreement, "Force Majeure" shall mean an event which is unforeseeable, beyond the control of the Second Party and not involving the Second Party's fault or negligence. Such events may include war, civil war, insurrection, riots, revolutions, fire, floods, epidemics, quarantine restrictions, freight embargoes, radioactivity, earthquakes, cloudbursts, landslides and excessive snow.
- 15.3 If a Force Majeure situation arises, the Second Party shall promptly intimate the same to the First Party in writing. The Second Party shall continue to perform its obligations under the agreement, as far as is reasonably practical, and shall seek all reasonable alternative means for performance, not prevented by the force majeure event.

16. ARBITRATION :-

Any difference and/or disputes arising at any time between the parties out of this IA or interpretation thereof shall be endeavored to be resolved by the parties hereto by mutual negotiations, failing which the matter shall be referred to the Arbitrator to be appointed as per the provisions of the Arbitration & Conciliation Act, 1996. However, all disputes shall be settled within the jurisdiction of Courts of Himachal Pradesh.

17. TRANSFER OF PROJECT TO SUBSIDIARY GENERATING COMPANY

- 17.1 In case of bonafide Himachalis/Co-operative Societies/Companies/Voluntary Societies/ Trusts/Partnership concerns/Sole Proprietorship concerns comprising wholly of bonafide Himachalis to whom project upto 2.00 MW and above 2.00 MW upto 5.00 MW capacity is allotted, the Government may considers the request of the promoters to transfer ownership wholly or partially to any other Himachalis/Co-operative Societies/ companies/Voluntary Societies/Trusts/ Partnership concerns/ Sole Proprietorship concerns comprising wholly of bonafide Himachalis, at any stage after allotment.

- 17.2 Change in name/dilution of shares by Himachali allottee to Non-Himachalis is allowed to the extent of maximum of 49% at any stage after allotment and full disinvestment after two years of actual date of commissioning of the project. In the event of any contravention, the First Party shall terminate the IA forthwith at any stage.

18. MISCELLANEOUS

- 18.1 Save as provided aforesaid none of the parties hereto shall assign their respective rights and obligations under this agreement without the prior consent in writing of the other party to the agreement.
- 18.2 Each party agrees that it shall not divulge any trade, commercial or technical secrets or confidential matters of one another to any third party save for the purpose of Implementation of the Project.
- 18.3 The Second Party agrees to have its corporate/business office within the State of Himachal Pradesh.

19. **COMPOSITION OF LADF:-** The LADF shall comprise of contribution by project based on project cost and free power after commissioning as envisaged in the State and National Hydro Power Policies. The hydro project developer's in the State shall contribute towards LADF in two stages.

19.1 Prior to Commissioning of the Project

- 19.1.1 The Second Party shall contribute a minimum of 1.5% of final cost of the Project for projects of more than 5.00 MW capacity and a minimum of 1% for projects of capacity upto 5.00 MW. While the project authorities have to contribute minimum of 1.5% or 1% (as the case may be) of the project cost to LADF, they may contribute more, if they so desire. Initially, the LADF will be worked out on the basis of the Project cost as per DPR for depositing with the concerned Deputy Commissioner (DC). After completion of the Project, the LADF will be worked out on the final completion cost.
- 19.1.2 The Project cost will be as approved by CEA/State Govt. and include IDC, CAT, R&R expenses etc.. Escalation will be included when the revised TEC is given. As the entire cost is included in calculating tariff for PPAs as per regulatory guidelines, it would be appropriate to follow the same guidelines for calculating the LADF contribution. Therefore, the total cost as per TEC will be taken as basis for calculating LADF contribution. It would be adjusted as and when TEC is revised in the course of project construction/completion.
- 19.1.3 The balance amount of LADF worked out on final cost shall be deposited by the Second Party within one year of Commercial Operation Date (COD) of the Project.

19.2 After Commissioning of the Project

Second Party shall contribute 1% free power for LADF over and above the rates of royalty agreed to be paid to the State Government in the Implementation Agreement/ Supplementary Implementation Agreement, as the case may be. This additional 1% (one percent) free power, over and above the royalty component provided to the host State will be a pass through in tariff. The revenue collected by the Nodal Agency (Directorate of Energy from sale of such 1% free power (contribution from the Second Party) will be transferred to the Local Area Development Fund for such project.

19.3 REALIZATION OF LADF CONTRIBUTION

19.3.1 Prior to Commissioning of the Project

Contribution to be made prior to commissioning of the Project shall be released by Second Party in the following manners:-

- a) 25% amount within twenty four (24) months of signing of Implementation Agreement (IA) i.e. at the time of achieving zero date after obtaining all statutory and non-statutory clearances and achieving financial closure.
- b) Balance 75% amount in three equal annual installments during construction period of the project. The first installment will be paid within three months of Zero date as given in the IA or 31st December, whichever is later and thereafter by 31st December on annual basis.

19.3.2 If Second Party wishes to make a contribution in advance of this schedule, it will be accepted.

19.3.3 In case of failure to adhere to the time lines as prescribed under a) and b) above, the Second Party shall be liable to pay interest on the due amount of LADF @ 12% per annum.

19.3.4 The expenditure incurred by the developer on various activities executed on the demands of local villages/Project Affected Area/Zone, shall be liable for adjustment against the dues of LADF as defined in the Notification No. MPP-F(1)2/2005-XI, dated 17th August, 2016 (amended from time to time).

19.4 After Commissioning of the Project

The 1% free power contribution to LADF shall be sold by the State Government along with its share of free power. The amount equivalent to average net realization per unit multiplied by the number of units for which 1% is to be paid will be placed at the disposal of LADC annually. The average price per unit will be worked out on the basis of net proceeds of total free power sale by GOHP divided by the total number of units involved, after allowing 1 paise per unit to be retained by the State government as the expenses of Directorate of Energy. The provision for disbursement of the amount to be received against sale of 1% Additional Free Power on account of Local Area Development Fund (LADF) as under:-

- (a) 50% of the total amount of LADF to be divided to all families in PAA equally subject to BPL families getting higher amount as per the policy notified on 05/10/2011.
- (b)
- (c) Balance 50% of the total amount of LADF to be divided between the families in ratio of the land acquired in their respective Panchayat subject to BPL families getting higher amount as per the policy notified on 05/10/2011.

20. Tariff Determination:-

The tariff shall be determined by HPERC with respect to date of achieving COD of the project instead of the date of signing of IA. However, this condition shall be applicable only if the project is completed within the stipulated time period as approved in Technical Concurrence (TC) after achieving the zero date except force majeure conditions or reasons not attributable to the developers.

- 21 **NOTICE.** - Any notice required to be given to either party under this agreement shall be deemed to be served if sent by Cable, Fax or Telex followed by a confirmation letter delivered by hand or sent by registered post to their respective addresses.

ADDRESSES

For First Party/HIMURJA

For Second Party

Addl. Chief Secretary (NES),
to the GoHP,
Himachal Pradesh Secretariat,
Shimla (H.P.)-171002

Special Secretary (NES), to the GoHP-cum-
Chief Executive Officer, HIMURJA,
Block-8A, SDA Complex,
Kasumpti, Shimla (H.P.)-171009
FAX NO. 0177-2622635

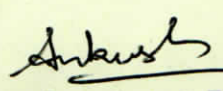
Either Party may change the address at which notice is to be delivered by duly informing the other party in writing.

22 **GOVERNING LAWS**

The rights and obligations of the parties under or pursuant to this agreement shall be governed by and constituted according to Indian Law. This agreement shall be subject to the jurisdiction of the Himachal Pradesh High Court at Shimla.

- 23 Any violations of the above-mentioned issues concerning policy parameters, IA may results into monetary penalty including cancellation of the project.
- 24 Second Party agrees to pay outstanding amount, if any to the First Party, within a month from the date of communicating the same to the Second Party.
- 25 Second Party agrees that if at a later stage, it is found that some information has been suppressed or false documents have been supplied by them at the time of submission of application or subsequently, the whole responsibility will be theirs and Govt. will be at liberty to take legal action against them.
- 26 Second Party agrees that in case of any inadvertent omission or commission or mistakes, appearing in this Agreement (IA), are liable to be rectified at any time on or after commissioning of the project to bring the terms and conditions in accordance with the extent of Hydro Power Policy/Rules and Guidelines of the State Government that may be enforced from time to time.


Special Secretary (NES)
to the Govt. of H.P.-
cum-CEO HIMURJA
Shimla-171 009


Sanjeev Hydro Projects Pvt. Ltd.


Nº 1783209

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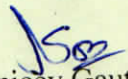
Himachal Government Judicial Paper


IN WITNESS WHEREOF, THE PARTIES HERETO HAVE CAUSED THESE PRESENTS TO BE SIGNED, SEALED AND DELIVERED BY THEIR DULY AUTHORISED REPRESENTATIVES ON THE DAY, MONTH AND YEAR FIRST ABOVE WRITTEN.

For and on behalf of
Government of Himachal Pradesh

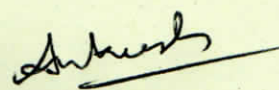

(Rupali Thakur, IAS)
Special Secretary (NES)
Special Secretary (NES)
to the Govt. of H.P.-
cum-CEO HIMURJA
Shimla-171 009

WITNESSED BY:

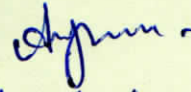
1. 
Er. Sanjeev Gautam
Project Manager (SHP)
Himurja , Kasumpti Shimla-9


2. 
Er. Ramesh Rattan
Project Officer (SHP)
Himurja , Kasumpti Shimla-9

For and on behalf of
M/s Sanjeev Hydro Projects Pvt. Ltd.


(Ankush Koundal)
Authorized Signatory
Sanjeev Hydro Projects Pvt. Ltd.
Authorized Signatory

WITNESSED BY:

1. 
Aman Guleria
V.P.O. Teh. Dehra
Distt Kangra (H.P.) 176029

2. 
Ashish Guleria
S/o. Lt. Sh. S.C. Guleria
Vill Ranka, P.O. Tripal
Teh Dehra, Distt Kangra.

**Himachal Pradesh
I&PH Department**

No. EE/IPHD/WA-I/ NOC Project/ 2019-
To

785-89

Dated :- 13/05/2019

M/S Vishavkarma Hydel Power (Partnership-4).
VPO Gaggal, Tehsil & Distt. Kangra H.P.

**Subject: No Objection Certificate for C/o Small Hydel Project Lower IKU (1.00MW)
On Iku Khad in Tehsil Dharamshala Distt. Kangra H.P.**

Reference: SE office letter No. SE/PHCD/WS- NOC/2019- 1187-91 dated 08/05/2019.

This No Objection Certificate for the C/O Small Hydel Project Lower IKu (1.00MW) capacity Vishavkarma Hydel Power (Partnership-4), VPO Gaggal, Tehsil & Distt. Kangra H.P. is hereby issued on behalf of IPH Department as approved vide Superintending Engineer IPH Circle Dharamshala letter No. SE/PHCD/WS WS- NOC/2019- 1187-91 dated 08/05/2019 as per powers conferred by the Principal Secretary (IPH) to the Govt. of Himachal Pradesh Shimla vide Notification No. IPH-B(F)5-4/2006 dated 29/8/2007 & Engineer -In- Chief, I&PH Department, U.S. Club Shimla letter No. IPH-Irrig. Gen. HEP/2007-2504-22 dated 13th September, 2007 subject to the following terms and conditions.

TERMS AND CONDITIONS:-

1. That for any modification to be carried out by the firm in the jurisdiction of prior approval of the Department shall be taken & design shall be subject to approval of this department.
2. The usage of water of IKU Khad shall be taken over by the second party purely on temporary basis and the firm shall have no permanent right on it.
3. The Joint inspection of site of **Small Hydel Project Lower IKU (1.00MW)** capacity was conducted on 21/02/2019. by Assistant Engineer IPH Sub Division Dharamshala with Junior Engineer of concerned section along with representative of the firm and it shall be complied with in future as an when required as per direction of IPH Department. **The Project weir should be proposed down stream of head weir of FIS Nirjul Kuhl and Machhul Kuhl and its tail race point should be 100 mtrs above proposed Fatt dhani Di Kuhl.**
4. That the IPH Department has power to stop the construction work of **Small Hydel Project Lower IKU (1.00MW)**, if any ongoing scheme is disturbed/ effected by the firm during the construction of the project.
5. If any private kuhl is disturbed /affected due to execution of this project the project authority has to talk with the beneficiary.e. Pardhan of Gram Panchayat concerned and K.V.S for the its alternative arrangement.
6. If any WSS or Irrigation Scheme and water mills on upstream and down stream of project is submerged/ disturbed due to construction of this project the project authority will have to pay the full compensation claim for that as per estimate sanction by the department and will have to deposit the original cost of scheme including its remodeling, restoration and augmentation cost as the case may be.
7. This Department reserves the right to draw as much quantity of water as required from the concerned **Lower IKU** to formulate and execute any WSS or Irrigation scheme in future.
8. The project shall be based on **"Run Off"** condition there should not be any diversion and poundage facility which may affect natural water flow condition in upstream and Downstream of khad.

9. The Chief Engineer (DZ) IPH Department ,Dharamshala shall be the sole adjudicator for any dispute arising during construction as well as subsequently and his decision shall be binding on all the parties.
10. That in case there is any scarcity of water due to drought or any other reason, the Requirement of department shall have precedence over the requirement of the HEP.
11. The proposed will not infringe the drinking rights on upstream or downstream of the project of any existing/Proposed scheme of IPH Department.
12. The second party shall furnish to the first party a compendium giving details of Hydrological data/ observation within one year of signing of MOU.
13. The second party will not dump blasting muck and soil etc. on the project site or any other in appropriate place, which flow further to down stream of the khad causing serious threat to the existing water supply or Irrigation scheme of H.P IPH Department
14. A forum of hydro power producers of Beas based has come into existence on 5/11/2005. The guidelines of this forum Whatever applicable, the attempt will be made to abide by the recommendations of the forum and applicable to second party. If however any such more forum are constituted for other river basin the guidelines of the same shall be applicable on second party.
15. The second party shall ensure to project the water rights of the local inhabitants for drinking and irrigation purposed etc be verifying the revenue entries and activities of IPH department so as to ensure that such rights are not infringed upon, any dispute in the matter shall be referred to a committee, to be appointed by the first party involving IPH and revenue Departments. However the decision of the first party shall be final and binding on all the parties.
16. The first party shall put in place a committee comprising of experts from the relevant field for determination of the impact, if any on the existing water supply or irrigation projects due to allotment of any upstream and /or downstream project. In the event of a dispute the decision of first party in the matter shall be final and binding on all the parties.
17. The second party shall ensure minimum flow of threshold value of water not less than 15% of the minimum flow observed in the lean season immediately downstream of the project all the time including lean season form Novembers to March of every year. Keeping in mind the serious concern of the state government on account of its fragile ecology environment and also to address issue concerning riparian rights, drinking water etc. & even to honor the sensitive religious issues like cremation and other religions rights etc. on the river/Nalah bank. However the second party is at liberty to install Small Hydle Project to harness such water for their captive use, utilities system and colonies.

Executive Engineer,
IPH Division,
Dharamshala.

Copy forwarded to Engineer-in-Chief IPH Department U.S. Club Shimla for information please.

Copy forwarded to Chief Engineer (DZ) IPH Department D/shala for information please.

Copy forwarded to Superintending Engineer IPH Circle Dharamshala for information please with reference letter referred to above.

Copy forwarded to Assistant Engineer IPH Sub Division Dharamshala for information please with reference to your office letter No. 4331 dated 22/02/2019.

Executive Engineer,
IPH Division,
Dharamshala

No. FSH-F (2)39-123/2017-ARC-LOWER IKU-
 Directorate of Fisheries,
 Himachal Pradesh.

1305

From

The Director-cum-Warden of Fisheries, 26-4-2017
 Himachal Pradesh.

To

M/s Vishavkarma Hydel Power (Partnership4)
 VPO-Gaggal, Tehsil and District -Kangra (H.P.)-176 209.

Dated Bilaspur-174001 the,

Subject: -

NOC for installation of Lower IKU SHP (1. 00 MW)on Lower IKU in Tehsil
 Dharamshala, District Kangra(HP).

Sir,

I invite a reference of your letter No. Lower Iku(159)2015-
 3291/NOC//017/021 dated 16.03.2017 regarding subject cited above.

In this context, it is intimated that as per provisions contained in clause- 1
 and 14(i) of revised hydro power policy-2006 of H.P., notified vide MPP & Power Department
 Notification No. MPP-F(1)2/2005-VIII, dated 04.03.2014 and clarifications received from the
 Principal Secretary(Power) to the GoHP vide his letter No. MPP-F(1)2/2005-IX, dated
 02.08.2014, NOC of Fisheries Department is not required and no charges are to be levied upon
 for the projects up to capacity of 2.00 MW. However, IPP shall have to ensure safe disposal of
 silt/muck during and post-construction phases besides maintenance of environmental flow of
 water downstream as determined by the Govt. of HP from time to time. This is for favour of
 information, please.

Yours faithfully,



(Gurcharan Singh)
 Director-cum-Warden of Fisheries,
 Himachal Pradesh, Bilaspur.

E-mail : fisheries.hp@nic.in

Tel/Fax: 01978-224068

Endst No. As above-

Dated:-

Copy forwarded for information to:-

1. The Additional Chief Secretary (Fisheries) to the Govt. of H.P, Shimla-2;
2. The Director, HIMURJA, SDA Complex, Kasumpti, Shimla-9(HP);
3. The Assistant Director of Fisheries, Palampur, Distt- Kangra (HP) ;
4. Incharge, Web Cell Directorate of Fisheries for n/a.



(Gurcharan Singh)

Director-cum-Warden of Fisheries,
 Himachal Pradesh, Bilaspur.

E-mail : fisheries.hp@nic.in

Tel/Fax: 01978-224068

Sanjeev Hydro Projects (P) Ltd.

H.O. : V.P.O. Sahoura Teh. & Distt. Kangra (H.P.) -176209

Contacts: +91-9857092895, 9418254538

(sanjeev.of@gmail.com)

Ref. No.....




Date: 10-8-2019

RESOLUTION

The meeting of the company SANJEEV HYDRO PROJECTS PVT. LTD. Head Office Village and PO Sauhora Tehsil and Distt. kangra HP was held on dated 10-08-2019 at head office in which discussed about the signing of land diversion case under FCA of Lower Iku SHEP(1MW) in Tehsil Dharamshal Distt. Kangra HP .

So it is resolved that Sh. Sanjeev Kumar who is the one of the director of company is hereby authorized to sign the FCA case of land diversion of said project on behalf of the Sanjeev Hydro Projects Pvt. Ltd.

His Signatures are attested and appended below:

1. 
2. 
3. 

Directors

M/s Sanjeev Hydro Projects (P) Ltd.
Sanjeev Kumar 

M/s Sanjeev Hydro Projects (P) Ltd.
Jag Pravesh Mongra
Director 

Ankush Kaundal  M/s Sanjeev Hydro Projects (P) Ltd.
Director